



Credit Union Department

* * NEWSLETTER * *

No. 03-03

March 31, 2003

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RESULTS OF CREDIT UNION COMMISSION MEETING

The Credit Union Commission held a regular public meeting on Friday, March 21, 2003. At the meeting the Commission:

- Elected Mr. James Burnett as Vice Chair for a term expiring in March 2004;
- Readopted without changes 7 TAC §91.703 (Interest); 7 TAC §91.705 (Home Improvement Loans); 7 TAC §91.706 (Home Equity Loans); 7 TAC §91.707 (Reverse Mortgages); 7 TAC §91.714 (Leasing); 7 TAC §91.716 (Prohibited Fees); 7 TAC §91.717 (More Stringent Restrictions);
- Approved for publication and comment in the *Texas Register* the proposed amendments to:
 - [7 TAC §91.210](#) concerning Certificate of Authority to do Business in the State of Texas;
 - [7 TAC §91.403](#) concerning Federal Parity – Guaranteed Auto Protection (GAP) Program/Debt Cancellation Contracts;
 - 7 TAC §91.701 concerning Lending Powers; 7 TAC §91.702 concerning Records of Lending Transactions; 7 TAC §91.704 concerning Real Estate Lending; 7 TAC §91.708 concerning Real Estate Appraisals; 7 TAC §91.710 concerning Overdraft Protection; 7 TAC §91.711 concerning Loan Participations; 7 TAC §91.712 concerning Plastic Cards; 7 TAC §91.713 concerning Indirect Financing of Motor Vehicles or Other Chattels; 7 TAC §91.715 concerning Exceptions to the General Lending Policies; 7 TAC §91.718 concerning Charging off or Setting up Reserves; 7 TAC §91.719 concerning Loans to Officials and Employees (***Click here for the [7 TAC §91.700](#) series***).
- Approved for publication and comment in the *Texas Register* the proposed new 7 TAC §91.6001 concerning Fiduciary Duties; 7 TAC §91.6002 concerning Fiduciary Capacities; 7 TAC §91.6003 concerning Notice Requirements; 7 TAC §91.6004 concerning Exercise of Fiduciary Powers; 7 TAC §91.6005 concerning Exemption from Notice; 7 TAC §91.6006 concerning Policies and Procedures; 7 TAC §91.6007 concerning Review of Fiduciary Accounts; 7 TAC §91.6008 concerning Recordkeeping; 7 TAC §91.6009 concerning Audit; 7 TAC §91.6010 concerning Custody of Fiduciary Assets; 7 TAC §91.6011 concerning Trust Funds; 7 TAC §91.6012 concerning Compensation, Gifts, and Bequests; 7 TAC §91.6013 concerning Bond Coverage; 7 TAC §91.6014 concerning Errors and Omissions Insurance; 7 TAC §91.6015 concerning Litigation File (***Click here for the new [7 TAC §91.6000](#) series***).

PROPOSED RULE CHANGES

Attached are copies of the proposed amended rules approved for publication and comment by the Commission. All comments, favorable or otherwise, should be forwarded to the Department as soon as possible. In order for your comments to be considered by the Commission, the comments must be received no later than **May 12, 2003**.

CALL REPORTS

Call reports and diskettes for the quarter ending March 31, 2003, will be mailed to each credit union on April 1st. **Credit unions with assets under \$10 million will have the option of submitting the 5300F short version or the standard 5300 of the call report. Credit unions with assets greater than \$10 million will continue to submit the standard 5300 version.**

The call report diskettes must be received in the Department's office or the data transmission files uploaded directly to NCUA via the Internet on or before **April 22, 2003**. Reports received after that date will be assessed a late fee.

Please direct any questions to Isabel Velasquez, Executive Assistant at (512) 837-9236.

TELEPHONE INQUIRIES

Your telephone inquiries are important to us, and we want to be sure that you are referred to the appropriate person in the Department for your answer. Questions relating to examinations should be directed to **James Deese**. Questions relating to mergers and other regulatory requirements should be directed to **Jim Ratzman**. Questions relating to field of membership applications or to obtain amendment forms and applications, call reports, and comments on proposed rules should be directed to **Isabel Velasquez**. We certainly encourage you to continue to call the office for advice, counsel, and specific questions about your credit union or the examination of your credit union. We are most willing to discuss these areas with you at any time.

APPLICATIONS APPROVED

Applications approved since February 28, 2003 include:

No field of membership expansion requests were approved as of February 28, 2003.

APPLICATIONS RECEIVED

The following applications were received and published in the March 28, 2003 issue of the *Texas Register*.

Field of Membership Expansion(s):

MemberSource Credit Union (Houston) – To permit employees of Fred Haas Toyota World, Inc., who work in or are paid or supervised from Spring, Texas, to be eligible for membership in the credit union.

First Community Credit Union (Portland) – To remove the exclusionary language protecting the field of membership of certain credit unions having offices within Nueces County.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Credit unions that wish to comment on any application must also complete a Notice of Protest form. The form may be obtained by contacting the Department at (512) 837-9236 or downloading the form at <http://www.tcud.state.tx.us/applications.html>. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

Applications Received (Continued):

Articles of Incorporation Change(s):

Brownsville Teachers Credit Union (Brownsville) – The credit union is proposing to change its name to 1st Financial Community Credit Union.

Merger(s) or Consolidation(s):

An application was received from **SAHA Credit Union** (San Antonio) seeking approval to merge with **Southside Credit Union** (San Antonio) with the latter being the surviving credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Credit unions that wish to comment on any application must also complete a Notice of Protest form. The form may be obtained by contacting the Department at (512) 837-9236 or downloading the form at <http://www.tcred.state.tx.us/applications.html>. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699

PUBLISHING NOTICE OF APPLICATIONS IN **THE TEXAS REGISTER** (www.sos.state.tx.us)

In order to meet the submission deadlines for the applicable issues of the *Texas Register*, it is necessary for the Department to establish the following schedule. Because of the *Texas Register* printing schedules, completed applications received after the deadline for the month cannot be published until the following month.

<u>For an Application To be Published</u>	<u>Deadline for Receipt of An Application</u>	<u>Comment Period Will Conclude on</u>
April 2003	Friday, April 11	May 30
May 2003	Friday, May 16	June 30
June 2003	Friday, June 13	July 30
July 2003	Friday, July 11	August 30

CHANGE 4, RULES FOR TEXAS CREDIT UNIONS

On February 28, 2003, all credit unions were mailed change 4 to update the Rules for Credit Unions. Please make a note that the backside of page 91-48(a) has intentionally been left blank. The next page of text following page 91-48(a) is page 91-49. We apologize for any confusion this might have caused.
